



**STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097**

BRENNON T. MORIOKA  
DIRECTOR

Deputy Directors  
MICHAEL D. FORMBY  
FRANCIS PAUL KEENO  
BRIAN H. SEKIGUCHI  
JIRO A. SUMADA  
IN REPLY REFER TO:

Board of Land and  
Natural Resources  
State of Hawaii  
Honolulu, Hawaii

**ISSUANCE OF DIRECT LEASE – PLEASANT AIRCRAFT LEASING, LLC.  
HONOLULU INTERNATIONAL AIRPORT**

**OAHU**

**REQUEST:**

Issuance of a direct lease to Pleasant Aircraft Leasing, LLC for the development, construction, operation, and maintenance of a personal hangar facility for general aviation activities located on the South Ramp at Honolulu International Airport.

**LEGAL REFERENCE:**

Subsection 171-59(b), Hawaii Revised Statutes, as amended.

**APPLICANT / LESSEE:**

Pleasant Aircraft Leasing, LLC, incorporated under the laws of California authorized to do business in the State of Hawaii

**LOCATION AND TAX MAP KEY:**

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1<sup>st</sup> Division, 1-1-72: 39

**AREA:**

Lot/Space Nos. 009-166, containing a land area of 23,686 square feet of improved/paved general aviation land, as shown and delineated on the attached map labeled Exhibit A

**ZONING:**

State Land Use District:	Urban
City and County of Honolulu:	I-2 (Industrial)

BLNR – Issuance of Direct Lease

PLEASANT AIRCRAFT LEASING, LLC, Honolulu International Airport

Page 2

LAND TITLE STATUS:

Section 5(e) - Public Law 88-223 - “ceded” land of the Hawaii Admission Act  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ☐ NO ☒

CURRENT USE STATUS:

Land presently encumbered by Governor’s Executive Order No. 3201, setting aside a portion of Honolulu International Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport Purposes.

CHARACTER OF USE:

Development, construction, operation, and maintenance of a personal hangar facility.

TERM OF LEASE:

Thirty (30) years

LEASE COMMENCEMENT DATE:

Upon execution of the lease document

ANNUAL GROUND LEASE RENTAL:

First Five (5) Years (Lease Years 1 through 5): \$49,266.88 per annum, payable in monthly payments of \$4,105.57, in advance, based upon present ground lease rental rate of \$2.08 per square foot, per annum for the premises at Honolulu International Airport

Second Five (5) Years (Lease Years 6 through 10): \$56,656.91 per annum, payable in monthly payments of \$4,721.41, in advance, based upon the product of the annual rental for the fifth (5<sup>th</sup>) year of the lease term (49,266.88) and 115%.

Fourth Five (5) Years (Lease Years 16 through 20): An annual rental of 115% times the annual rental for the last year of the immediately preceding five-year period (15<sup>th</sup> year) of the lease term.

REOPENING OF ANNUAL GROUND LEASE RENTAL:

For each of the three remaining five (5)-year lease periods totaling fifteen (15) years, the fair market annual ground lease rental for each five (5)-year lease rental reopening period

shall be determined separately when due at the time of reopening, in accordance with the provisions of Section 171-17, Hawaii Revised Statutes, relating to Appraisals, by an independent real estate appraiser whose services shall be contracted for and paid by the Department of Transportation.

PERFORMANCE BOND:

Sum equal to the annual land rentals in effect

MINIMUM IMPROVEMENTS REQUIREMENT:

\$1,500,000.00

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site

Improvements: Pleasant Aircraft Leasing, LLC desires to develop, construct, operate and maintain a personal hangar facility on the proposed leased premises.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The subject land area is covered by Volume 3, Environmental Assessment for the Honolulu International Airport Master Plan Update and Noise Compatibility Program, dated September 1989 and referenced as State Project No. AO1011-03. This Environmental Assessment evaluated the environmental effects of the recommended Airport Development Plan which would accommodate the forecast general and commercial aviation needs of the island of Oahu through the year 2005 and was prepared for the State of Hawaii, Department of Transportation, Airports Division by KFC Airport, Inc.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO <u>    </u>
Registered business name confirmed:	YES <u>X</u>	NO <u>    </u>
Good standing confirmed:	YES <u>X</u>	NO <u>    </u>

REMARKS:

In accordance with Section 171-59(b), HRS, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by negotiation, the

Department of Transportation proposes to issue a direct lease to Pleasant Aircraft Leasing, LLC for the purpose of developing, constructing, operating, and maintaining a personal hangar facility for general aviation activities at Honolulu International Airport.

RECOMMENDATION:

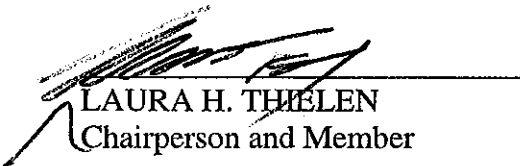
That the Board authorize the Department of Transportation to issue a direct lease to Pleasant Aircraft Leasing, LLC, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the lease form and content.

Respectfully submitted,



BRENNON T. MORIOKA, Ph.D., P.E.  
Director of Transportation

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN  
Chairperson and Member

